

SECOND AMENDMENT TO EQUIPMENT LEASE

THIS SECOND AMENDMENT TO EQUIPMENT LEASE dated as of March 11, 1974 (the "Second Amendment") among TRUST COMPANY FOR USL, INC., not in its individual corporate capacity but solely as Trustee under a Trust Agreement dated as of November 4, 1971 (the "Lessor"), UNITED STATES LEASING INTERNATIONAL, INC., a California corporation as Agent for Lessor (the "Agent") and AIRCO, INC., a New York corporation (the "Lessee");

W I T N E S S E T H:

WHEREAS, the Lessor, the Agent and the Lessee have heretofore executed and delivered that certain Equipment Lease dated as of November 4, 1971 (the "Lease") providing for the lease thereunder by the Lessor to the Lessee of certain railroad equipment more fully described in the Schedules attached to said Lease; and

WHEREAS, the said Lease was filed for record in the Office of the Secretary of the Interstate Commerce Commission on April 18, 1972 and has been assigned Recordation No. 6559; and

WHEREAS, the Lessor, the Agent and the Lessee have heretofore executed and delivered that certain First Amendment to Equipment Lease dated as of November 15, 1972 (the "First Amendment"); and

WHEREAS, the said First Amendment was filed for record in the office of the Secretary of the Interstate Commerce Commission on December 29, 1972 and has been assigned Recordation No. 6559-A; and

WHEREAS, the Lessor, the Agent and the Lessee desire to amend the Lease as hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt whereof is hereby acknowledged, the Lessor and the Lessee hereby covenant and agree that the Lease shall be deemed to be and it is hereby amended as follows:

6559-B

RECORDATION NO. _____ Filed & Recorded

JUN 10 1974 - 10 20 AM

INTERSTATE COMMERCE COMMISSION

1. By deleting Schedule A-3 attached to the Lease as executed and substituting therefor Schedule A-3 attached to this Second Amendment to Equipment Lease.

2. By amending Section 2.1 of the Lease to read in its entirety as follows:

2.1. Rent for Equipment. The Lessee agrees to pay to the Lessor Periodic Rent for each Item of Equipment in the amount of Periodic Rent provided for in Schedules A-1 through A-3, both inclusive, as applicable, for such Item of Equipment. The Lessor and Lessee acknowledge and agree that such Periodic Rent shall equal approximately 2.420% of the invoice cost of the Equipment.

The Lessee and Lessor agree that in the event the Total Price of the Items of Equipment covered by Schedules A-1 through A-3, both inclusive, varies from the amount shown on such Schedules, the Periodic Rent for such Items of Equipment shall be adjusted accordingly and such adjustments shall be made in the form of a written amendment to this Equipment Lease. The Lessee agrees to pay the amount of such adjusted Periodic Rent in the manner and at the times provided in this Section 2 and any amended Section 2.

3. By amending Section 2.2 of the Lease to read in its entirety as follows:

2.2. Rent Payment Dates. The Periodic Rent for all Items of Equipment delivered to and accepted by the Lessee in accordance with the provisions of Section 1.2 of this Lease shall be due and payable quarterly in arrears following the Closing Date as defined in the Loan Agreement (the "Loan Agreement") dated as of November 4, 1971 among the Lessor, the Agent and Teachers Insurance and Annuity Association of America.

4. By amending Section 11.7 of the Lease to read in its entirety as follows:

11.7. Casualty Value. The Casualty Value of each Item of Equipment described in Schedule A-1 and A-2 shall be an amount determined as of the date the Casualty Value is paid to Lessor under Section 11.2 hereof (and not the date of the Casualty Occurrence) equal to that percentage of the original cost to the Lessor of such Item of Equipment as set forth in the Schedule of Casualty Value attached hereto as Schedule B-1. The Casualty Value of each Item of Equipment described in Schedule A-3 shall be an amount determined as of the date the Casualty Value is paid to Lessor under Section 11.2 hereof (and not the date of the Casualty Occurrence) equal to that percentage of the original cost to the Lessor of such Item of Equipment as set forth in the Schedule of Casualty Value attached hereto as Schedule B-2.

5. By deleting Schedule B attached to the Lease as executed and substituting therefor Schedules B-1 and B-2 attached to this Second Amendment to Equipment Lease.

6. By amending Section 11.8 of the Lease to read in its entirety as follows:

11.8. Termination Value. The Termination Value of each Item of Equipment described in Schedule A-1 and A-2 shall be the amount determined as of the date the Termination Value is paid as provided in Section 11.3 hereof equal to that percentage of the original cost to the Lessor of such Item of Equipment as set forth in the Schedule of Termination Value attached hereto as Schedule C-1. The Termination Value of each Item of Equipment described in Schedule A-3 shall be the amount determined as of the date the Termination Value is paid as provided in Section 11.3 hereof equal to that percentage of the original cost to the Lessor of such Item of Equipment as set forth in the Schedule of Termination Value attached hereto as Schedule C-2.

7. By deleting Schedule C attached to the Lease as executed and substituting therefor Schedules C-1 and C-2 attached to this Second Amendment to Equipment Lease.

Whenever in any certificate, letter, notice or other instrument reference is made to the Equipment Lease, such reference without more shall include reference to this Second Amendment.

This Second Amendment may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Second Amendment.

Except to the extent hereby amended and modified, the Equipment Lease is in all respects ratified, confirmed and approved.

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be executed by their respective officers thereunder duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

[CORPORATE SEAL]

TRUST COMPANY FOR USL, INC.,
as Trustee under a Trust Agreement
dated as of November 4, 1971

Attest:

Joanne L. Miller
Assistant Secretary

By Ben Marshall
Its President

LESSOR

[CORPORATE SEAL]

UNITED STATES LEASING INTERNATIONAL, INC.

Attest:

Joanne L. Miller
Assistant Secretary

By David C. Hooley
Its Vice President

AGENT FOR LESSOR

[CORPORATE SEAL]

AIRCO, INC.

Attest:

Joseph M. Walsh, Jr.
Secretary

By David Reel
Its ~~Exec. Vice Pres.~~

LESSEE

f.m.w.
JM

STATE OF CALIFORNIA)
) SS
CITY AND COUNTY OF SAN FRANCISCO)

On this _____ day of March, 1974, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is _____ of TRUST COMPANY FOR USL, INC., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Notarial Seal]

Notary Public

My Commission expires:

Jersey
STATE OF NEW YORK)
County of Bergen) SS
~~CITY OF NEW YORK~~)

On this 11th day of March, 1974, before me personally appeared Ronald Reich, to me personally known, who being by me duly sworn, says that he is Exec. Vice Pres. of AIRCO, INC., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Notarial Seal]

Edith B. Licata
Notary Public

EDITH B. LICATA

My Commission expires:

NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June. 28, 1978

STATE OF CALIFORNIA)
)
) SS
CITY AND COUNTY OF SAN FRANCISCO)

On this 6th day of June, 1974, before me personally appeared BEN MAUSHARDT, to me personally known, who being by me duly sworn, says that he is President of TRUST COMPANY FOR USL, INC., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Notorial Seal)

Walter J. Mahan
Notary Public

My Commission expires: December 6, 1975

STATE OF NEW YORK)
) SS
CITY OF NEW YORK)

On this _____ day of _____, 1974, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is _____ of AIRCO, INC., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Notorial Seal)

Notary Public

My Commission expires:

SCHEDULE A-3
TO EQUIPMENT LEASE

MANUFACTURER:	ACF Industries, Inc.
DESCRIPTION OF EQUIPMENT:	20 Jumbo Tank Cars
ROAD NUMBERS:	ARIX 1177 through 1196, both inclusive
PRICE:	\$31,490.00 per unit
TOTAL PRICE:	\$629,800.00 for 20 units
OUTSIDE DELIVERY DATE:	July 31, 1974
DELIVER TO:	Airco, Inc. at such address designated by it
PERIODIC RENT:	80 quarterly rental payments, in arrears, at \$762.06 each per unit of Equipment on an aggregate of \$ 15,241.20 for all 20 units
DAILY INTERIM RENT:	-0-

In the event the price of any Items covered by this Schedule is greater or less than the amount shown above, the rentals for such item shall be ratably increased or reduced in accordance with Section 2.1 of the Equipment Lease.

TRUSTOR:	Virginia National Bank
LESSEE:	Airco, Inc. (Airco Trust No. 1)
LENDER:	Teachers Insurance and Annuity Association of America

SCHEDULE OF CASUALTY VALUE

CASUALTY VALUE: The following per cent of original cost to Lessor of an Item of Equipment described on Schedule A-2, including all taxes and delivery charges, is to be paid on a rental payment due date pursuant to Section 11 of the Equipment Lease as the result of an Item becoming the subject of a Casualty Occurrence, depending upon when the Casualty Value is paid:

<u>After Rental Payment No.</u>	<u>Payable on Date and in Lieu of Payment No.</u>	<u>Casualty Value Payable Per Item (in lieu of rental payment for such item due on such date)</u>
0	1	104.250%
1	2	104.250
2	3	104.125
3	4	104.000
4	5	103.875
5	6	103.625
6	7	103.375
7	8	103.000
8	9	102.625
9	10	102.250
10	11	102.000
11	12	101.750
12	13	101.375
13	14	101.000
14	15	100.625
15	16	100.125
16	17	99.625
17	18	99.125
18	19	98.500
19	20	97.875
20	21	97.250
21	22	96.625
22	23	95.875
23	24	95.125
24	25	94.375
25	26	93.500
26	27	92.625
27	28	91.750
28	29	90.750
29	30	89.750
30	31	88.750
31	32	87.750
32	33	86.625
33	34	85.625
34	35	84.500
35	36	83.250

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Schedule B-1

<u>After Rental</u> <u>Payment No.</u>	<u>Payable on Date</u> <u>and in Lieu of</u> <u>Payment No.</u>	<u>Casualty Value Payable</u> <u>Per Item (in lieu of</u> <u>rental payment for such</u> <u>item due on such date)</u>
36	37	82.125
37	38	80.875
38	39	79.625
39	40	78.375
40	41	77.125
41	42	75.750
42	43	74.375
43	44	73.000
44	45	71.625
45	46	70.250
46	47	68.875
47	48	67.375
48	49	65.875
49	50	64.375
50	51	62.375
51	52	61.375
52	53	59.875
53	54	58.250
54	55	56.625
55	56	55.125
56	57	53.500
57	58	51.875
58	59	50.250
59	60	48.500
60	61	46.875
61	62	45.125
62	63	43.375
63	64	41.625
64	65	40.125
65	66	38.875
66	67	37.500
67	68	36.125
68	69	34.750
69	70	33.375
70	71	31.875
71	72	30.375
72	73	28.875
73	74	27.375
74	75	25.750
75	76	24.125
76	77	22.375
77	78	20.875
78	79	19.000
79	80	17.125
80	Thereafter	15.000

CASUALTY VALUE: The following per cent of original cost to Lessor of an Item of Equipment described in Schedule A-3, including all taxes and delivery charges, is to be paid on a rental payment due date pursuant to Section 11 of the Equipment Lease as the result of an Item becoming the subject of a Casualty Occurrence, depending upon when the Casualty Value is paid.

<u>After Rental Payment No.</u>	<u>Payable on Date and in Lieu of Payment No.</u>	<u>Casualty Value Payable Per Item [in lieu of rental payment for such item due on such date]</u>
0	1	106.625
1	2	105.125
2	3	105.500
3	4	105.750
4	5	105.875
5	6	106.000
6	7	106.125
7	8	106.125
8	9	106.125
9	10	106.000
10	11	105.875
11	12	105.625
12	13	105.375
13	14	105.000
14	15	104.625
15	16	104.250
16	17	103.750
17	18	103.250
18	19	102.625
19	20	102.000
20	21	101.250
21	22	100.625
22	23	99.750
23	24	99.000
24	25	98.000
25	26	97.125
26	27	96.125
27	28	95.125
28	29	94.000
29	30	92.875
30	31	91.750
31	32	90.500
32	33	89.250
33	34	88.000
34	35	86.625
35	36	85.250
36	37	83.875
37	38	82.375
38	39	80.875
39	40	79.375
40	41	77.750

SCHEDULE OF TERMINATION VALUE

TERMINATION VALUE: The following percent of original cost to Lessor of an Item of Equipment described in Schedule A-1 or A-2, including all taxes and delivery charges, is to be paid on a rental payment due date pursuant to Section 11 of the Equipment Lease as the result of the Lessee terminating this Lease with respect to such Item, depending upon when the Termination Value is paid.

<u>After Rental Payment No.</u>	<u>Payable on Date and in Lieu of Payment No.</u>	<u>Termination Value Payable Per Item (in Lieu of Rental Payment for such Item due on such date)</u>
40	41	71.375%
41	42	69.875
42	43	68.375
43	44	66.750
44	45	65.250
45	46	63.625
46	47	62.125
47	48	60.625
48	49	59.000
49	50	57.375
50	51	55.750
51	52	54.125
52	53	52.375
53	54	50.625
54	55	48.875
55	56	47.125
56	57	45.375
57	58	43.500
58	59	41.625
59	60	39.750
60	61	37.875
61	62	36.000
62	63	34.000
63	64	32.000
64	65	30.375
65	66	28.875
66	67	27.250
67	68	25.750
68	69	24.125
69	70	22.500
70	71	20.750

SCHEDULE OF TERMINATION VALUE - Continued

After Rental
Payment No.

Payable on Date
and in Lieu of
Payment No.

Termination Value Payable
Per Item (in Lieu of Rental
Payment for such Item due
on such date)

71	72	19.125%
72	73	17.375
73	74	15.625
74	75	13.750
75	76	11.875
76	77	10.000
77	78	8.125
78	79	6.125
79	80	4.125

Schedule C-2

SCHEDULE OF TERMINATION VALUE

TERMINATION VALUE: The following percent of original cost to Lessor of an Item of Equipment described in Schedule A-3, including all taxes and delivery charges, is to be paid on a rental payment due date pursuant to Section 11 of the Equipment Lease as the result of the Lessee terminating this Lease with respect to such Item, depending upon when the Termination Value is paid.

<u>After Rental Payment No.</u>	<u>Payable on Date and in Lieu of Payment No.</u>	<u>Termination Value Payable Per Item (in Lieu of Rental Payment for such Item due on such date)</u>
40	41	71.500
41	42	69.750
42	43	67.875
43	44	66.000
44	45	64.250
45	46	62.375
46	47	60.375
47	48	58.375
48	49	56.500
49	50	54.500
50	51	52.500
51	52	50.375
52	53	48.375
53	54	47.125
54	55	45.875
55	56	44.625
56	57	43.500
57	58	42.125
58	59	40.750
59	60	39.375
60	61	38.125
61	62	36.750
62	63	35.250
63	64	33.750
64	65	32.375
65	66	30.750
66	67	29.125
67	68	27.500
68	69	25.750
69	70	24.000
70	71	22.250
71	72	20.500
72	73	18.625
73	74	16.750
74	75	14.750
75	76	12.750
76	77	10.750
77	78	8.625
78	79	6.500
79	80	4.250